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Study Says CIA May Be Too Pessimistic on Soviet Oil

Associated Press

A recently revised CIA forecast may be "unduly pessimistic" in predicting a significant decline in Soviet oil production by 1990, according to a Library of Congress study released vesterday.

The report, prepared for the congressional Joint Economic Committee, stressed that the Soviet Union's energy performance during this decade could range widely, from the "worst case" CIA forecast to substantial growth in petroleum output.

This uncertainty should prompt U.S. policy-makers to adopt a flexible approach,

ready to cope with Soviet pressure on western oil supplies but also open to the possibility of expanded East-West energy cooperation, the Congressional Research Service study, released by Rep. Gillis W. Long (D-La.), concluded.

The CIA's most recent estimate, disclosed last month, forecasts that Soviet petroleum-output — currently 12.1 million barrels a day — will taper off to between 10 million and 11 million barrels daily in 1985 and drop to between 7 million and 9 million barrels by 1990.

This revised substantially the intelligence

agency's earlier prediction that by 1985 domestic oil output would be 8 million to 10 million barrels a day, forcing Moscow to become a net petroleum importer. According to the current forecast, this shift to oil imports should be made unnecessary by greater Soviet investment in natural gas and other energy sources.

The Congressional Research Service report contrasted the CIA position with a forecast by the Economic Commission for Europe estimating that Soviet oil production in the 1980s will remain steady or climb to as high as 14 million barrels a day.